

THE WHITE HOUSE
WASHINGTON

August 4, 2010

Molly Webb
Head of Strategic Engagement
The Climate Group
1101 Sixteenth Street, 7th floor
Washington, DC 20036

RE: Smart Grid

Dear Ms. Webb:

Thank you for your letter to the President discussing measures to improve the consumer experience with the Smart Grid. We believe that providing consumers with clear, timely, and appropriate information about their energy consumption and electricity pricing is critical to optimizing the efficiency of the electric grid and facilitating our Nation's transition to a clean energy economy. Respecting State jurisdiction over retail electricity ratemaking, the Administration is committed to working with the States and other key stakeholders on policies to enable consumers to make energy choices that can yield economic benefits and reduce harmful greenhouse gas emissions. In so doing, the Administration is mindful of the importance of promoting sound energy policies that protect consumer interests, uphold reasonable expectations of privacy, and provide for consumer education about new technologies. An open, secure, and flexible architecture for the exchange of information between the home and the Smart Grid will enable innovative applications that can help consumers manage their energy use in creative ways.

The Administration is taking several steps to implement these principles. The National Institute of Standards and Technology (NIST) is leading a public-private effort to develop a core set of Smart Grid standards, including guidelines related to consumer access to energy data. The Department of Energy (DOE) is accelerating the deployment of smart meters and other components of an advanced electric grid with \$4.5 billion in grants through the American Recovery and Reinvestment Act. DOE has issued a Request for Information regarding Federal, State, and private efforts to address Smart Grid data access, privacy, and protection issues. Consistent with the requirements of the Energy Independence and Security Act of 2007, DOE and the Federal Energy Regulatory Commission plan to present a Demand Response National Action Plan Implementation Proposal to Congress including specific proposed assignments of responsibility, proposed resource levels, and any agreements secured for participation from States and other participants. The Administration has also established an interagency Subcommittee on Smart Grid under the auspices of the National Science and Technology Council's Committee on Technology. In addition to making policy recommendations, this group will facilitate effective collaboration within the Federal government and with stakeholders such as State public utility commissions, consumers groups, and companies. We welcome the input of your organizations and look forward to your participation in this continuing dialogue.

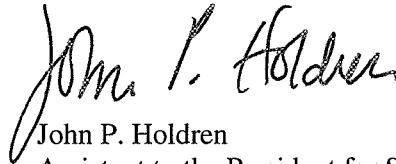
As we pursue these efforts to help capture the potential benefits of the Smart Grid, we are attentive that a nuanced approach to policy will be essential to avoid burdening groups such as lower income and elderly consumers. Accordingly, we recognize the important role of Federal energy assistance programs for the aforementioned groups, and do not support conditioning such assistance on a State's approval of particular Smart Grid policies or pricing plans. We believe that, with appropriate policies in place, the Smart Grid can offer potential benefits to all consumers.

Thank you again for your interest and engagement on this important issue.

Sincerely,



Carol M. Browner
Assistant to the President for
Energy and Climate Change



John P. Holdren
Assistant to the President for Science and
Technology and Director, Office of Science and
Technology Policy

cc: Aclara
Alliance to Save Energy
American Council for an Energy-Efficient
Economy
APC by Schneider Electric
AT&T
Best Buy
C3
Center for American Progress
Comcast
Consumer Electronics Association
Consumers Union
Control4
Demand Response and Smart Grid Coalition
Digital Energy Solutions Campaign
Dow
Efficiency First
eMeter
Energy Future Coalition
EnergyHub
EnerNOC
Environmental Defense Fund
Environmental Entrepreneurs
Foundation Capital
General Electric
Google Inc.
Green Electronics Council

GridPoint, Inc.
Hara
Hewlett-Packard
Honeywell
iControl Networks, Inc.
The Information Technology Industry Council
Intel
Itron
Johnson Controls, Inc.
Khosla Ventures
Kleiner Perkins Caufield & Byers
National Association of State Utility Consumer
Advocates
National Community Action Foundation
National Consumer Law Center
Natural Resources Defense Council
Nokia
Opto 22
Pew Center on Global Climate Change
Public Citizen
Telecommunications Industry Association
Tendril
U.S. Green Building Council
Vantage Point Venture Partners
Verizon
Whirlpool